

State of Hawaii
DEPARTMENT OF LAND AND NATURAL RESOURCES
Division of Boating and Ocean Recreation
Honolulu, Hawaii 96813

July 8, 2011

Board of Land and Natural Resources
State of Hawaii
Honolulu, HI

PETITION OF RED DOLPHIN LLC FOR ISSUANCE OF A
COMMERCIAL USE PERMIT TO OPERATE WITHIN
WAIKIKI OCEAN WATERS AND AUTHORIZATION TO USE/INSTALL
AN EXCLUSIVE USE OFFSHORE MOORING SYSTEM

BACKGROUND:

Red Dolphin LLC is the documented owner of the 142-foot passenger motor vessel *Red Dolphin*, Official Number 638002.

On April 12, 2011, *Red Dolphin* was certified by the federal Department of Homeland Security to transit the inland waters of Mamala Bay to an intended anchorage within the Ocean Recreation Management Area (ORMA) denominated Waikiki Ocean Waters.¹ The Petitioner plans to offer passengers an array of water sports activities.

On May 17, 2011, Petitioner applied to the Division of Boating and Ocean Recreation for a commercial permit to operate within the Waikiki Ocean Waters in accordance with Hawai'i Administrative Rule 13-251-76(a). The rule provides: "No person shall engage in commercial activities of any kind in or on Waikiki or Kaanapali ocean waters and beach without a written permit from the board or its authorized representatives." The required exhibits accompanied the application.² The application is now before the Board for approval.

Section 13-251-76(a) does not provide standards for granting or denying a permit for these waters. Petitioner has complied with the prerequisites for the issuance of an ORMA commercial permit. Staff recommends that the Board authorize its issuance.

¹ The waters are depicted in Exhibit A to HAR 13-250-5, a copy of which is attached (see Exhibit A). The Petitioner shall be responsible for obtaining all required permits relating to the use and/or installation of an offshore mooring system.

² The submittal includes copies of Petitioner's Articles of Incorporation, General Excise Tax License, liability of insurance certificate that names the State of Hawai'i as an additional insured, Certificate of Documentation, Certificate of Inspection, Tax Clearance Certificate from the State of Hawai'i, Department of Taxation, and the Commercial Permit issued April 27, 2011, by the Department of Transportation, Harbors Division, for Honolulu Harbor (see Exhibit B).

Red Dolphin will serve as a stationary offshore platform. Once aboard the vessel, passengers will be able to select from a variety of activities, ranging from parasailing to sunbathing. *Red Dolphin* moors at Honolulu Harbor pursuant to permits issued by the Department of Transportation on April 27, 2011. The plan is for the vessel to depart Honolulu Harbor early each morning for its intended anchorage.³ The proposed mooring currently exists and the applicant will be responsible for obtaining any required permits associated with the mooring system. Passengers will then be ferried to the anchored vessel by independently operated, permit-holding vessels operating from Kewalo Basin; there will be no shuttling of passengers to or from Waikiki Beach. Once aboard *Red Dolphin*, guests can enjoy a number of onboard activities, such as a water trampoline, water slides, snorkeling, or simply relax on the sun deck or dine at the snack bar. They may also purchase tickets for parasailing or jet skiing, which activities will be provided by independent operators who will pick up/drop off passengers from the vessel. The shuttle boats will operate at scheduled intervals from Kewalo Basin. Daily operations will initially end at approximately 5:00 p.m. at which time the vessel will return to Honolulu Harbor for mooring overnight.

Red Dolphin will operate well outside the Waikiki restricted zone, including the Waikiki speed zone described in HAR 13-256-91. While Petitioner will report *Red Dolphin's* gross receipts to the Department of Transportation for calculation of the percentage commercial use fees, DLNR will be paid the commercial use fee (3% of gross) payable by the activity vendors serving vessel passengers.

PERMIT REQUIREMENTS:

Environmental Assessment:

We have researched whether an Environmental Assessment is required for the use of an existing mooring within Waikiki Ocean Waters. While the exemption list that pertains to the Division of Boating and Ocean Recreation does not include an exemption for moorings, a general exemption can be found under the Office of Environmental and Quality Control rules. Hawaii Administrative Rule, §11-200-8(A)(4) states, "Minor alterations in the conditions of land, water, or vegetation." We note that vessels are currently permitted to drop anchor on a daily basis; however, we would prefer that a mooring is used in order to minimize damages to the natural resource.

Conservation District Use Permit (CDUP):

A CDUP is not required because moorings are an identified land use in a protective subzone as defined below:

³ The GPS coordinates of the area where the vessel will anchor are N 21°16.144, W 157°50.174. A map depicting the area was attached to a letter dated May 24, 2011 from Dennis J. Niles, Esq. to DOBOR in support of the application (see Exhibit A). Commercial vessels offering similar water sports activities previously operated in this area, including *Aikane III* (75-foot), *Ale Ale Kai IV* (105-foot), and *Paradise Starlet* (138-foot).

§13-5-22 Identified land uses in the protective subzone. (a) If a proposed use in the protective subzone is not presented below, an applicant may request a temporary variance, petition the land use commission for a land use district boundary change, or initiate administrative rule amendment to have the proposed use added to the identified land uses.

(b) Identified land uses in the protective subzone and their required permits (if applicable), are listed below:

P-5 Moorings and Aids to Navigation

(C-1) Moorings and aids to navigation. This requirement is satisfied by obtaining a permit pursuant to chapter 200, HRS.

Army Corps of Engineers (ACOE) Permit:

The proposed mooring currently exists within Waikiki Ocean Waters and appears to have been installed some time ago. We have no record of this mooring and are requesting that the applicant obtain, if applicable, the proper permit from the ACOE.

RECOMMENDATION:

That the Board authorize the issuance of a commercial use permit to the Petitioner authorizing operation of *Red Dolphin* on Waikiki Ocean Waters subject to customary terms and conditions.

Respectfully submitted,



Edward R. Underwood
Administrator

Attachment: Exhibit A
Exhibit B

APPROVED FOR SUBMITTAL



William J. Aila, Jr.
Chairperson and Member

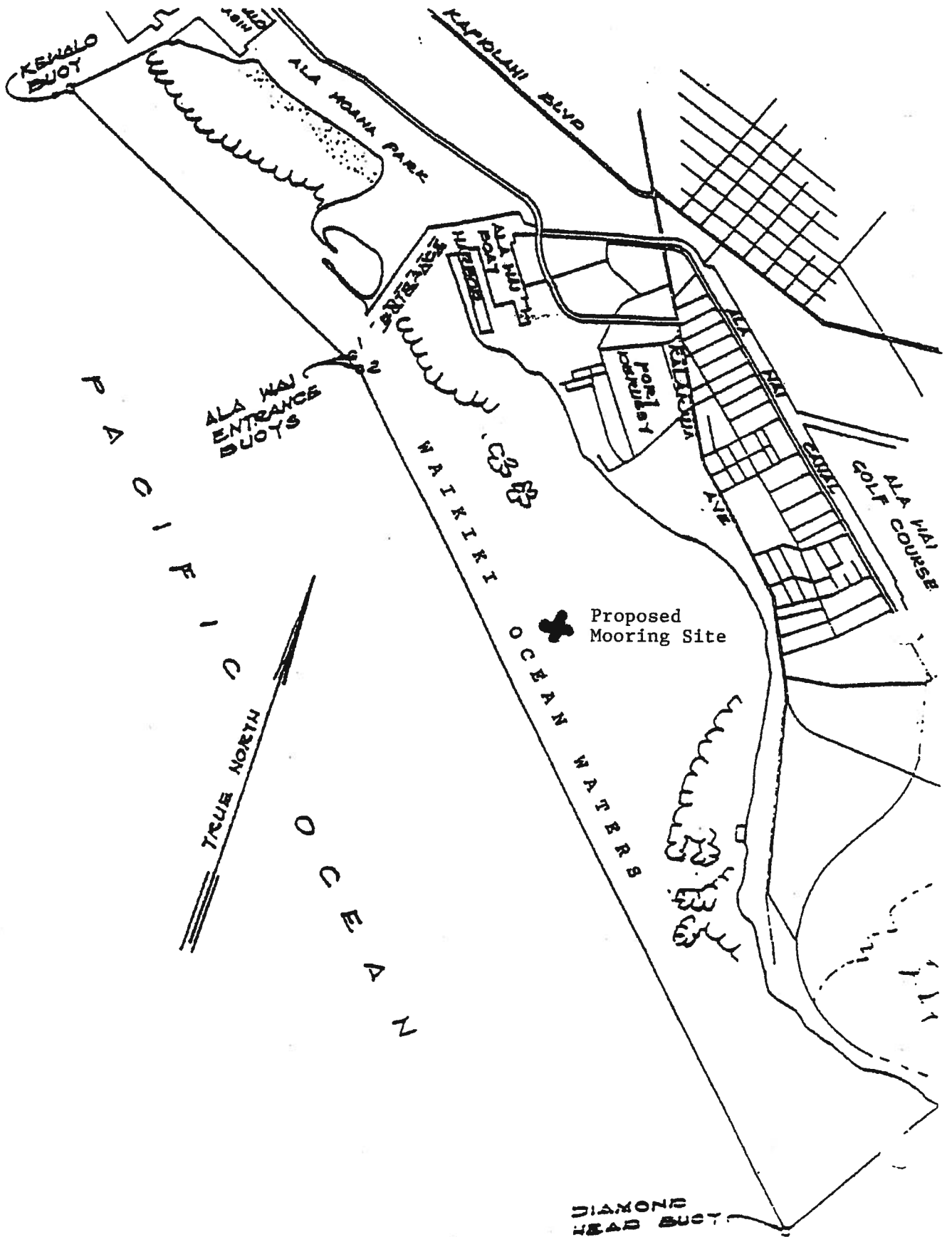


EXHIBIT A

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
DIVISION OF BOATING AND OCEAN RECREATION
4 Sand Island Access Road, Box 19
Honolulu, HI 96819

OCEAN RECREATION MANAGEMENT QUESTIONNAIRE,

Date: APRIL 26, 2011

Applicants Name: RED DOLPHIN, LLC

Doing business as: RED DOLPHIN

☐ Sole Proprietor ☐ Partnership ☐ Corporation ☐ Joint Venture

Address: 1216 WAIMANU ST

City: HONOLULU State: HAWAII Zip: 96814

Home Phone: _____ B. Phone: 753-9446 Fax: 531-7772

Cellular: _____ Pager: _____

To conduct commercial activity (state type of activity) WATER SPORTS

With the listed vessels and/or equipment (see attached) on the Island of OAHU
at the location of: WAIKIKI WATERS (SOUTH SHORE)

Exhibits enclosed for Division's Review:

- ☐ Business Registration/Corp. exhibits; ☐ General Excise Tax License;
☐ Liability Insurance certificate that names the State of Hawaii as an Additional Insured;
☐ Certificate of Documentation, if applicable ☐ Certificate of Inspection, if applicable;
☐ Tax Clearance Certificate, State of Hawaii, Department of Taxation;
☐ Copy of Right-of-Entry to Ocean Waters.

Applicant's signature:  Title: MEMBER

=====

Date Reviewed: _____ Recommendation: _____

Reviewed By: _____ Title: _____

EXHIBIT B

FILED 08/13/2010 03:20 PM
Business Registration Division
DEPT. OF COMMERCE AND
CONSUMER AFFAIRS
State of Hawaii

FORM-LLC1
7/2010

STATE OF HAWAII
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
Business Registration Division
335 Merchant Street
Mailing Address: P.O. Box 40, Honolulu, Hawaii 96810
Phone No. (808) 586-2727



CE 12 201020010

ARTICLES OF ORGANIZATION FOR LIMITED LIABILITY COMPANY

(Section 426-203, Hawaii Revised Statutes)

PLEASE TYPE OR PRINT LEGIBLY IN BLACK INK

The undersigned, for the purpose of forming a limited liability company under the laws of the State of Hawaii, do hereby make and execute these Articles of Organization:

The name of the company shall be:

Red Dolphin LLC

(The name shall contain the words Limited Liability Company or the abbreviation LLC or L.L.C.)

II

The mailing address of the initial principal office is:

1216 Waimanu Street, Honolulu, Hawaii 96814

III

The company shall have and continuously maintain in the State of Hawaii a registered agent who shall have a business address in this State. The agent may be an individual who resides in this State, a domestic entity or a foreign entity authorized to transact business in this State.

a. The name (and state or country of incorporation, formation or organization, if applicable) of the company's registered agent in the State of Hawaii is:

Steven D. Martin

(Name of Registered Agent)

(State or Country)

b. The street address of the place of business of the person in State of Hawaii to which service of process and other notice and documents being served on or sent to the entity represented by it may be delivered to is:

1170 Ulukouhi Loop, Kailua, Hawaii 96734

IV

The name and address of each organizer is:

Robert J. Norton

6477 Box Springs Boulevard, Riverside, CA 92507

Ted D. Nelson

275 Chrisalta Way, Anaheim, CA 92807

Steven D. Martin

1170 Ulukouhi Loop, Kailua, HI 96734

Judy A. Tanaka

1001 Bishop Street, Suite 1300, Honolulu, HI 96813

08/16/201020010

05 16 201020010

V

The period of duration is (check one):

☒ At-will

☐ For a specified term to expire on:

____ (Month) ____ (Day) ____ (Year)

VI

The company is (check one):

a. ☐ Manager-managed, and the names and addresses of the initial managers are listed in paragraph "c", and the number of initial members are: _____

b. ☒ Member-managed, and the names and addresses of the initial members are listed in paragraph "c".

c. List the names and addresses of the initial managers if the company is Manager-managed, or List the names and addresses of the initial members if the company is Member-managed.

Robert J. Norton

6477 Box Springs Boulevard, Riverside, CA 92507

Ted D. Nelson

275 Chisalta Way, Anaheim, CA 92807

Steven D. Martin

1170 Ulupohi Loop, Kailua, HI 96734

VII

The members of the company (check one):

☒ Shall not be liable for the debts, obligations and liabilities of the company.

☐ Shall be liable for all debts, obligations and liabilities of the company.

☐ Shall be liable for specified debts, obligations and liabilities of the company as stated below, and have consented in writing to the adoption of this provision or to be bound by this provision.

We certify, under the penalties set forth in the Hawaii Uniform Limited Liability Company Act, that we have read the above statements, I am authorized to sign this Articles of Organization, and that the above statements are true and correct to the best of our knowledge and belief.

Signed this 13th day of August, 2010

Judy A. Tanaka

(Type/Print Name of Organizer)

Judy A. Tanaka
(Signature of Organizer)

(Type/Print Name of Organizer)

(Signature of Organizer)

SEE INSTRUCTIONS PAGE. The articles must be signed and certified by at least one organizer of the company.

08/16/201020010

Red Dolphin LLC

BUSINESS START DATE: 8/13/2010

STATE OF HAWAII
DEPARTMENT OF TAXATION

FORM G-44A
(REV. 2009)

LICENSE ISSUED FOR THE PRIVILEGE OF ENGAGING IN BUSINESS AND OTHER ACTIVITIES UPON THE CONDITION THAT THE LICENSEE SHALL PAY THE TAXES ACCORDING TO THE STATE OF HAWAII UNDER THE PROVISIONS OF CHAPTER 237, HRS. AS AMENDED. LICENSEE'S ACTIVITIES ARE LISTED ON THE APPLICATION ON FILE WITH THE DIRECTOR OF TAXATION.

GENERAL EXCISE TAX LICENSE

THIS LICENSE IS NOT TRANSFERABLE.
TO BE DISPLAYED CONSPICUOUSLY AT THE
PLACE OF BUSINESS FOR WHICH ISSUED.

HAWAII TAX ID NUMBER: W84652928-01

RED DOLPHIN LLC
DBA RED DOLPHIN LLC
1216 WAIMANU ST
HONOLULU HI 96814-4504

Michael D. Paul
Michael D. Paul, DIRECTOR OF TAXATION

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

05/13/2011

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Servco Insurance Services Corp 700 Bishop Street Suite 1400 Honolulu, HI 96813-4116	CONTACT NAME: PHONE (A/C, No, Ext): 808.540.3333 FAX (A/C, No): 808.540.3334 E-MAIL ADDRESS: PRODUCER CUSTOMER ID #: 00059197														
INSURED Red Dolphin, LLC 1216 Waimanu St. Honolulu, HI 96814	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: left;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: left;">NAIC #</th> </tr> <tr> <td>INSURER A: Indemnity Ins Co of North Amer</td> <td></td> </tr> <tr> <td>INSURER B:</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Indemnity Ins Co of North Amer		INSURER B:		INSURER C:		INSURER D:		INSURER E:		INSURER F:	
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INSURER B:															
INSURER C:															
INSURER D:															
INSURER E:															
INSURER F:															

COVERAGES

CERTIFICATE NUMBER: 11-12 Hu11/P&I

REVISION NUMBER:


THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DEDUCTIBLE RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> N/A (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Hull & Machinery / Protection & Indemnity	X		N04994693	05/13/2011	05/13/2012	See Addendum for Limits

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Additional Insured: The certificate holder, but only to the extent set forth in the policy provisions.

CERTIFICATE HOLDER**CANCELLATION**

State of Hawaii Dept of Land & Natural Resources, Boating Div 333 Queen St., 3rd Floor Honolulu, HI 96813	<p>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.</p> <p style="text-align: center;">SERVCO INSURANCE SERVICES</p> <p>AUTHORIZED REPRESENTATIVE</p> <p style="text-align: right;">By  C.P.C.U.</p>
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ADDITIONAL REMARKS SCHEDULE

AGENCY Servco Insurance Services Corp		NAMED INSURED Red Dolphin, LLC Honolulu, HI 96814
POLICY NUMBER		
CARRIER	NAIC CODE	EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: 25 FORM TITLE: ACORD Certificate of Liability Insurance

CERTIFICATE HOLDER: State of Hawaii

Garage Liability

INSR ADD'L LTR INSRD	SUBR WVD	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
					AUTO ONLY - EA ACCIDENT \$
					EA ACC \$
					OTHER THAN AUTO ONLY: AGG \$

Automobile Liability

POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)
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Excess/Umbrella Liability

POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
			\$

Other Liability

POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)		LIMITS
N04994693	05/13/2011	05/13/2012	P&I:	\$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES



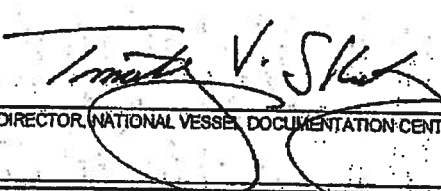

UNITED STATES OF AMERICA

DEPARTMENT OF HOMELAND SECURITY
UNITED STATES COAST GUARD

COPY

NATIONAL VESSEL DOCUMENTATION CENTER

CERTIFICATE OF DOCUMENTATION

VESSEL NAME RED DOLPHIN		OFFICIAL NUMBER 638002	IMO OR OTHER NUMBER	YEAR COMPLETED 1981
HAILING PORT HONOLULU, HI		HULL MATERIAL STEEL		MECHANICAL PROPULSION YES
GROSS TONNAGE 94 GRT	NET TONNAGE 91 NRT	LENGTH 142.0	BREADTH 44.0	DEPTH 4.2
PLACE BUILT HONOLULU, HI				
OWNERS RED DOLPHIN LLC COMPRISED OF THREE MEMBERS		OPERATIONAL ENDORSEMENTS COASTWISE RECREATION		
MANAGING OWNER RED DOLPHIN LLC 1216 WAIMANU STREET HONOLULU, HI 96814				
RESTRICTIONS NONE				
ENTITLEMENTS NONE				
REMARKS NONE				
ISSUE DATE APRIL 01, 2011		 DIRECTOR, NATIONAL VESSEL DOCUMENTATION CENTER		
THIS CERTIFICATE EXPIRES APRIL 30, 2012				
GAC 15570802				



United States of America
Department of Homeland Security
United States Coast Guard

Certification Date: 12 Apr 2011
Expiration Date: 12 Apr 2012
IMO Number:

Temporary Certificate of Inspection

For ships on international voyages this certificate fulfills the requirements of SOLAS 74 as amended, regulation V/14, for a SAFE MANNING DOCUMENT.

This Temporary Certificate of Inspection is issued under the provision of Title 46 United States Code, Section 399, in lieu of the regular certificate of inspection, and shall be in force only until the receipt on board said vessel of the original certificate of inspection, this certificate in no case to be valid after one year from the date of inspection.

Vessel Name RED DOLPHIN	Official Number 638002	Call Sign WUX9309	Service Passenger (Inspected)
Hailing Port HONOLULU HI	Hull Material Steel	Horsepower 940	Propulsion Diesel Reduction
Place Built HONOLULU, HI UNITED STATES	Delivery Date 01Jul1981	Date Keel Laid	Gross Tons R-94 1-
			Net Tons R-91 1-
			DWT
			Length R-142 1-
Owner RED DOLPHIN LLC 1216 WAIMANU STREET HONOLULU HI 96814 UNITED STATES	Operator RED DOLPHIN LLC 1216 WAIMANU STREET HONOLULU HI 96814 UNITED STATES		

This vessel must be manned with the following licensed and unlicensed personnel. Included in which there must be 0 certified lifeboatmen, 0 certified tankermen, 0 HSC type rating, and 0 GMDSS Operators.

1 Master	0 Master & 1st Class pilot	0 Radio Officer(s)	0 Chief Engineer	0 QMED/Rating
0 Chief Mate	0 Mate & 1st Class Pilot	0 Able Seamen/ROANW	0 1st Asst. Engr/2nd Engr.	0 Oilers
0 2nd Mate/OICNW	0 Lic. Mate/OICNW	0 Ordinary Seamen	0 2nd Asst. Engr/3rd Engr.	1 UNLIC.
0 3rd Mate/OICNW	0 1st Class Pilot	4 Deckhands	0 3rd Asst. Engr.	
			0 Lic. Engr.	

In addition, this vessel may carry 400 passengers, 0 other persons in crew, 11 persons in addition to crew, and no others.
Total persons allowed: 417

Route Permitted and Conditions of Operation:

---Lakes, Bays, and Sounds---

MAMALA BAY: SHOREWARD OF A LINE DRAWN FROM BARBERS POINT LIGHT TO DIAMOND HEAD LIGHT.
VESSEL LIMITED TO TRANSITS TO THE INTENDED ANCHORAGE (APPROXIMATELY 1000-YDS OFFSHORE).

THE FOLLOWING EQUIPMENT MAY NOT BE USED WHILE PASSENGERS ARE ON BOARD UNTIL PLAN APPROVAL IS COMPLETE: PORT SIDE SWIM STEPS, SNUBA DIVE PLATFORMS AND DIVE COMPRESSOR.

SEE NEXT PAGE FOR ADDITIONAL CERTIFICATE INFORMATION

With this inspection for Certification having been completed at Honolulu, HI, the Officer in Charge, Marine Inspection, Sector Honolulu certified the vessel, in all respects, is in conformity with the applicable vessel inspection laws and the rules and regulations prescribed thereunder.

Annual/Periodic/Quarterly Reinspections				This certificate issued by: J. M. NUNAN CAPT, USCG Officer in Charge, Marine Inspection HONOLULU Inspection Zone
Date	Zone	A/P/Q	Signature	
-	-	-	-	
-	-	-	-	
-	-	-	-	



Department of Homeland Security
United States Coast Guard

Temporary Certificate of Inspection

Certification Date:
12Apr2011

RED DOLPHIN

IF THE VESSEL IS AWAY FROM THE DOCK OR PASSENGERS ARE ON BOARD OR HAVE ACCESS TO THE VESSEL FOR A PERIOD EXCEEDING 12 HOURS IN ANY 24 HOUR PERIOD, AN ALTERNATE MASTER AND CREW SHALL BE PROVIDED.

THE MASTER MUST REMAIN ON BOARD THE VESSEL AT ALL TIMES WHILE UNDERWAY OR AT ANCHOR WHEN CARRYING PASSENGERS FOR HIRE.

ONE CHILD SIZE LIFE PRESERVER SHALL BE PROVIDED FOR EACH PERSON WEIGHING LESS THAN 90 POUNDS.

WHEN THE VESSEL IS OPERATING THERE SHALL BE AN UNLICENSED ENGINEER ON BOARD THE VESSEL. THE UNLICENSED ENGINEER SHALL BE DESIGNATED IN WRITING BY THE MASTER WITH A COPY RETAINED ON BOARD THE VESSEL.

A MAXIMUM OF 207 PASSENGERS MAY BE ALLOWED ON THE UPPER DECK.

Overnight accommodations for 0 passengers.

---Hull Exams---

Exam Type	Next Exam	Last Exam	Prior Exam
Drydock	31Jul2011	22Jul2009	24Jul2007
Internal Structure	31Jul2011	22Jul2009	-

---Stability---

Letter Approval Date / 03Sep2009 Office/ CG MSC

---Lifesaving Equipment---

	Number Persons			Required
Total Equipment for	417		Life Preservers(Adult)	417
Lifeboats(Total)	0	0	Life Preservers(Child)	42
Lifeboats(Port)*	0	0	Ring Buoys(Total)	3
Lifeboats(Starbd)*	0	0	With Lights*	1
Motor Lifeboats*	0	0	With Line Attached*	1
Lifeboats W/Radio*	0	0	Other*	1
Rescue Boats/Platforms	0	0	Immersion Suits	0
Inflatable Rafts	0	0	Portable Lifeboat Radios	0
Life Floats/Buoyant App	0	0	Equipped with EPIRB?	No
Inflatable Bouyant App(IBA)	0	0	(* included in totals)	

---Fire Fighting Equipment---

Number of Fireman Outfits/ 0 Number of Fire Pumps/ 1

Hose information

Qty	Diameter	Length
5	1.5	75

Fire Extinguishers - Hand portable and semi-portable

Qty	Class Type
1	B-I



Department of Homeland Security
United States Coast Guard

Temporary Certificate of Inspection

Certification Date:
12Apr2011

RED DOLPHIN

7

B-II

END

STATE OF HAWAII — DEPARTMENT OF TAXATION
TAX CLEARANCE APPLICATION
PLEASE TYPE OR PRINT CLEARLY
Form A-6 can be filed electronically. See Instructions.

1. **APPLICANT INFORMATION:** (PLEASE PRINT CLEARLY)

Applicant's Name RED DOLPHIN LLC

Address 1216 WAIMANU STREET

City/State/Postal/Zip Code HONOLULU HI 96814

DBA/Trade Name _____

2. **TAX IDENTIFICATION NUMBER:**

HAWAII TAX ID # W 8 4 8 5 2 9 2 8 . 0 1

FEDERAL EMPLOYER ID # 2 7 - 3 3 1 2 1 8 3
(FEIN)

SOCIAL SECURITY # (SSN) _____

3. **APPLICANT IS A/AN:** (MUST CHECK ONE BOX)

- | | | |
|---|---|--|
| <input type="checkbox"/> CORPORATION | <input type="checkbox"/> S CORPORATION | <input type="checkbox"/> TAX EXEMPT ORGANIZATION |
| <input type="checkbox"/> INDIVIDUAL | <input type="checkbox"/> PARTNERSHIP | <input type="checkbox"/> ESTATE <input type="checkbox"/> TRUST |
| <input type="checkbox"/> LIMITED LIABILITY COMPANY | <input checked="" type="checkbox"/> LIMITED LIABILITY PARTNERSHIP | |
| <input type="checkbox"/> Single Member LLC disregarded as separate from owner; enter owner's FEIN/SSN _____ | | |
| <input type="checkbox"/> Subsidiary Corporation; enter parent corporation's name and FEIN _____ | | |

4. **THE TAX CLEARANCE IS REQUIRED FOR:** (MUST CHECK AT LEAST ONE BOX)

- | | |
|--|---|
| <input checked="" type="checkbox"/> CITY, COUNTY, OR STATE GOVERNMENT CONTRACT IN-HAWAII * | <input type="checkbox"/> LIQUOR LICENSE * |
| <input type="checkbox"/> REAL ESTATE LICENSE | <input type="checkbox"/> CONTRACTOR LICENSE |
| <input type="checkbox"/> FINANCIAL CLOSING | <input type="checkbox"/> BULK SALES** |
| <input type="checkbox"/> HAWAII STATE RESIDENCY | <input type="checkbox"/> PROGRESS PAYMENT |
| <input type="checkbox"/> SUBCONTRACT | <input type="checkbox"/> PERSONAL |
| | <input type="checkbox"/> FEDERAL CONTRACT |
| | <input type="checkbox"/> LOAN |
| | <input checked="" type="checkbox"/> OTHER <u>STATE PERMIT</u> |

* IRS APPROVAL STAMP IS ONLY REQUIRED FOR PURPOSES INDICATED BY AN ASTERISK.

** ATTACH FORM G-8A, REPORT OF BULK SALE OR TRANSFER

5. **NO. OF CERTIFIED COPIES REQUESTED:**

4

6. **SIGNATURE:**



SIGNATURE

STEVE MARTIN

PRINT NAME

4-26-11

DATE

MEMBER

PRINT TITLE: Corporate Officer, General Partner or Member, Individual (Sole Proprietor), Trustee, Executor

(808) 851 - 7477

TELEPHONE

(808) 851 - 7479

FAX

FOR OFFICE USE ONLY

BUSINESS START DATE IN HAWAII

IF APPLICABLE

05/13/2010

HAWAII RETURNS FILED

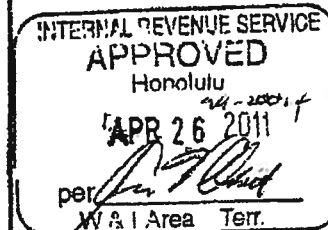
IF APPLICABLE

20____ 20____ 20____

STATE APPROVAL STAMP
(Not valid unless stamped)



*IRS APPROVAL STAMP



CERTIFIED COPY STAMP

POWER OF ATTORNEY. If submitted by someone other than a Corporate Officer, General Partner or Member, Individual (Sole Proprietor), Trustee, or Executor, a power of attorney (State of Hawaii, Department of Taxation, Form N-848) must be submitted with this application. If a Tax Clearance is required from the Internal Revenue Service, IRS Form 8821, or IRS Form 2848 is also required. Applications submitted without proper authorization will be sent to the address of record with the taxing authority. UNSIGNED APPLICATIONS WILL NOT BE PROCESSED.

PLEASE TYPE OR PRINT CLEARLY — THE FRONT PAGE OF THIS APPLICATION BECOMES THE CERTIFICATE UPON APPROVAL.
SEE PAGE 2 ON REVERSE & SEPARATE INSTRUCTIONS. Failure to provide required information on page 2 of this application or as required in the separate instructions to this application will result in a denial of the Tax Clearance request.

Type of Permit:

STATE OF HAWAII

Date: 04-27-11

Temporary Mooring Permit
Documentation: 638002

DEPARTMENT OF TRANSPORTATION
HARBORS DIVISION

COMMERCIAL PERMIT

This permit is for docking in Honolulu Harbor at Pier. 08 For the vessel RED DOLPHIN for the purpose of engaging in charter/passenger cruise operations.

PERMITTEE AGREES TO ABIDE BY ALL RULES ADOPTED BY THE DEPARTMENT OF TRANSPORTATION AND TO THE FULL PERFORMANCE OF THE FOLLOWING TERMS, CONDITIONS, AND CHARGES:

1. The charges for this permit will be:

A daily dockage charge of \$ 105.60 , or 2.0 % of the vessel's monthly gross receipts, whichever is greater.

Permittee fully understands that these dockage charges are only for the privilege of docking the vessel named in this permit at the designated location and for the purpose indicated.
2. Dockage charges are to be paid monthly in advance on or before the first day of each month at the office of the Harbors Division, Department of Transportation. In addition, a monthly report of gross receipts shall be submitted to the Harbors Division (on a form to be provided) within thirty days after the end of the month being reported. Any net charges due should be included with the report.
3. Interest at a rate of one (1) per cent per month, and a service charge of \$30.00 shall be assessed any delinquent account, including sums owed through a delinquent financial or statistical report, and shall continue to be assessed until the delinquent sum including interest and service charges, is paid in full.
4. This permit and the privilege attendant thereto are not assignable or in any way transferable, in part or in whole.
5. The permittee must meet the insurance requirements specified in Section 19-42-37 of Hawaii Administrative Rules, Commercial Harbors and Tariff. The term of this Permit shall run concurrent with the term of the Permittee's insurance; however, it shall not exceed thirty (30) days from the effective date of this permit. The mooring privilege under this Permit expires on 05/10/11 , unless the permit is renewed before the expiration date. The Permittee is responsible for the timely renewal of this mooring permit.

This Permit shall not be renewed unless all fees and charges due and payable are paid, the boat is in seaworthy condition, monthly gross receipts filings are current (and minimum requirements have been met), proper insurance coverage is in force, and there has been no change in the ownership or status of the boat.
6. The boat will be docked at the location designated by the official representative of the Department of Transportation and secured in a manner approved by the Harbor Agent.
7. The Permittee authorizes the Department of Transportation to assign and reassign berth and spaces for the boat.
8. The Permittee authorizes the representative of the Department of Transportation to audit their records which pertain to the commercial activity allowed under this permit.
9. Living aboard the vessel is not authorized, however a Safety Watch may be established in accordance with Section 19-42-54 of the Hawaii Administrative Rules, Commercial Harbors and Tariff.
10. This mooring privilege may be terminated for cause by the Department of Transportation by written order of the said representative and the boat may be moved from the mooring at any time on order of the said representative should the necessity arise.
11. This use permit may be canceled by Permittee upon written notice as prescribed in the Hawaii Administrative Rules, Commercial Harbors and Tariff, Department of Transportation, State of Hawaii.
12. I understand that if I fail to remedy any breach of any of the duties, covenants or conditions of this Permit or if I fail to desist from violating or permitting violation of federal or state law, or Department of Transportation rules, the Harbors Division may revoke or refuse to renew this Permit.

APPROVED:

DEPARTMENT OF TRANSPORTATION
HARBORS DIVISION

BY: 


Permittee (TITLE)

ADDRESS: 1216 Waimanu Street
Honolulu, HI 96814